Statement -II

Yearly Centre-wise Average for Retail Prices Commodity -Milk (Rs. per litre)

Centre	2007	2008 (upto Feb.)
Delhi	18.76	20.00
Lucknow	21.88	22.02
Shimla	16.00	16.00
Ahmedabad	20.01	20.19
Bhopal	19.28	20.00
Jaipur	13.64	14.00
Mumbai	18.34	20.00
Aizwal	28.00	28.00
Bhubaneshwar	17.26	18.00
Guwahati	18.89	20.00
Kolkata	27.80	29.98
Patna	15.34	16.00
Shilong	30.73	31.00
Bangalore	14.35	16.00
Chennai	15.25	15.50
Hyderabad	17.79	18.00
Thiruvananthapuram	16.70	17.33
ALL INDIA LAVERAGE:	19.41	20.10

Part (d) price of milk sold in loose are cheaper than packaged milk.

Land taken on lease from land owners

785. SHRI MOINUL HASSAN: Will the Minister of AGRICULTURE be pleased to state:

(a) whether Government is aware that many industrial and business houses have taken possession of a vast land on lease from land owners and allowing the farmers to cultivate and produce grains that are being purchased by the lease land holders; and

(b) if so, whether this is not endangering the entire food security of our country?

THE MINISTER OF STATE IN THE MINISTRY OF AGRICULTURE (SHRI KANTI LAL BHURIA): (a) The Central Government has requested State Governments by circulating a Model Agricultural Produce Marketing (Regulation) Act and the Model Rules thereunder, for making provisions to facilitate contract farming which envisages cultivation of specified crops by the farmers under an agreement for a sponsoring agency so that the produce could be sold to the sponsoring agency at a pre-decided price. Under this arrangement, the Central Government is not recommending the leasing of the land of the farmers to the industrial and business houses. Government is not maintaining any information regarding leasing of land by the farmers to the industrial and business houses for cultivation purposes.

(b) The contract farming arrangements are quite helpful to the farmers in securing better remuneration for their produce, as such arrangements cover the price risk and also the production risk to a great extent. Contract Farming has the potential of combining farmers' efficiency with economy of scale, utilizing corporate management skills, providing assured markets and reducing transaction costs in the value chain by ensuring vertical integration. Such tie-ups have special significance for small and marginal farmers, who have small marketed surplus and do not have staying power. They may not individually be capable of investing in technology, but through self help groups or cooperatives, there could emerge a desirable institutional framework, through which farmers can suitably reap the benefits of contract farming arrangements. Contract farming arrangements are prevalent for the cultivation of foodgrains crops also and as such, it is not endangering the entire food security of our country.

World Development Report, 2008

786. SHRI RAMDAS AGARWAL: Will the Minister of AGRICULTURE be pleased to state:

(a) whether the failure of agriculture sector in the country has led to the dependence of the country on imports for its food security;

(b) whether the World Development Report, 2008 has also suggested that the development of agro-sector of the country is necessary for alleviating poverty from the country;

(c) if so, whether Government has taken any decision for providing easy credit facility, irrigation and post harvest management of crops to farmers;

(d) whether discussions have been held with the States in this regard; and

(e) if so, the reaction of the State Governments thereto?

THE MINISTER OF STATE IN THE MINISTRY OF AGRICULTURE (SHRI KANTI LAL BHURIA): (a) Total output of foodgrains during 2006-07 was a record 217.28 million MTs. There has also been an increase in the production of non-foodgrains crops including horticulture. The decision to import foodgrains from time to time is taken after taking into account the requirement of the foodgrains in the buffer stock necessary for Public Distribution System, welfare schemes run by Government, natural calamities and for food security.

(b) and (c) According to World Development Report, 2008 (World Bank), persistent concentration of poverty in rural areas in the transforming developing countries can be addressed by increasing agricultural productivity and generating rural non-farm employment. To sustain and revitalize agriculture sector, Government of India have taken several steps to increase production and productivity of major food crops. These steps, *inter-alia*, include launching of two new schemes namely, National Food Security Mission to improve production and productivity of foodgrains and Rashtriya Krishi Vikas Yojana; credit policy to increase flow of institutional credit to agriculture sector and provision of crop loan upto Rs. 3.00 lakhs to farmers at reduced interest of 7% per annum. Besides, a number of initiatives plan schemes and programmes, incldluing initiatives announced in the Budget 2008-09 have been taken/ initiated for development of agriculture sector.

(d) and (e) Meetings and discussions with State Governments are held by the Ministry of Agriculture from time to time to obtain their feedback and suggestions as and when required.